

| आयकर अपीलीय अधिकरण न्यायपीठ, मुंबई |
IN THE INCOME TAX APPELLATE TRIBUNAL
"F" BENCH, MUMBAI

BEFORE SHRI SAKTIJIT DEY, HON'BLE VICE PRESIDENT
&
SHRI NARENDRA KUMAR BILLAIYA, HON'BLE ACCOUNTANT MEMBER
I.T.A. No. 3143/Mum/2022
Assessment Year: 2019-20

Deputy Commissioner of Income Tax, Central Circle - 2(2), Mumbai	Vs	M/s. Vividham Sweets & Dry Fruits 25, Khot, Chawal I.T. Road Mumbai - 400092 [PAN: AACFV5759M]
अपीलार्थी/ (Appellant)		प्रत्यर्थी/ (Respondent)

Assessee by :	Shri Dharan Gandhi, A/R
Revenue by :	Ms. Kavita P. Kaushik, Sr. D/R

सुनवाई की तारीख/Date of Hearing : 10/06/2025
घोषणा की तारीख /Date of Pronouncement: 16/06/2025

आदेश/ORDER

PER NARENDRA KUMAR BILLAIYA, AM:

This appeal by the revenue is preferred against the order of the Id. CIT(A) - 48, Mumbai [hereinafter "the Id. CIT(A)"] dated 12/10/2022 pertaining to AY 2019-20.

2. The sum and substance of the grievance of the revenue is that the Id. CIT(A) erred in deleting the addition of Rs. 5,39,10,500/- u/s 69A of the Act as unexplained money.

3. Representatives of both the sides were heard at length, case records carefully perused and the relevant documentary evidence brought on record duly considered in the light of Rule 18(6) of the ITAT Rules, 1963.

4. Briefly stated the facts of the case are that a survey action u/s 133(A) of the Act was conducted on 20/10/2018 by the ACIT-32(3), Mumbai. During the survey action, certain incriminating material were

found, seized and impounded which consisted of cash book, cash memo, annexures, loose papers, pass book etc.

5. The assessee is into the business of sweets and snacks shop in Borivali, Mumbai by the name of Vividham Sweets and Dry Fruits. For the purposes of operating the business, the shop has a token in the form of a bill which is given to the customers based on his choice from the menu. Accordingly, the assessee's major business is done in cash.

6. It has been brought to the notice of the AO that the business had been transferred and is now being carried out in the name of M/s. Krishay Enterprises from 01/04/2018. During the course of survey action, the two bills were found in the name of Vividham Sweets, dated 24/10/2018 and 25/10/2018 which are the basis of the present quarrel. Bills dated 24/10/2018 totaled to Rs. 25,467/- and the bills dated 25/10/2018 totaled to Rs.68,977/-. The AO was of the opinion that on an average, 200 bills are issued per day as per the bills token number found, out of which only the above mentioned two bills were impounded. The AO computed the estimated the turnover as under:-

Sr. No.	24.10.2018	25.10.2018
Total Bills found	37	86
Total Amount of bills found	25467	68977
Average bill value of bills found	675	802
Total Bills per day (based on the token number of the bills seized)	200	200
Total estimated turnover per day	1,35,000	1,60,400

6.1. The AO not only computed the estimated turnover but also extrapolated the same for the entire year and calculated the cash income at Rs. 5,39,10,500/-.

7. Before the Id. CIT(A), it was reiterated that Vividham Sweets is a brand and Vividham Sweets and Krishay Enterprises are two partnership firms and Vividham Sweets and Dry Frutis was dissolved on 31/03/2018 and the entire business was conducted by Krishay Enterprises from 01/04/2018. The sales summary of both the firms for AY 2018-19 was explained as under:-

<i>Assessment Year</i>	<i>Vividham Sweets & Dry Fruits</i>	<i>Krishay Enterprises</i>
2017-18	3,58,95,939	-
2018-19	4,40,67,682	-
2019-20	26,54,966	3,84,66,811
2020-21	-	3,94,14,694

8. It was further explained that the total sales of Krishay Enterprises on 24/10/2018 and 25/10/2018 are much higher than the amount mentioned in the assessment order as under:-

<i>Date</i>	<i>Sales amount mentioned in show cause notice and assessment order</i>	<i>Sales amount declared by Krishay Enterprises</i>
24.10.2018	25,467	56,141
25.10.2018	68,977	86,225

9. After considering the facts and the submissions, the Id. CIT(A) was convinced and deleted the impugned addition.

10. As mentioned elsewhere, the entire quarrel revolves around the bills found for two days i.e., 24/10/2018 & 25/10/2018. The amounts mentioned in these two bills are meagerly Rs. 25,467/- and Rs.68,977/.

The entire exercise done by the AO may impress a student of mathematics but does not make any sense so far as the income tax proceedings are concerned. No effort was taken to verify from the books of Krishay Enterprises. The month-wise details of sales made by two firms mentioned elsewhere speak for itself. As can be seen, Krishay Enterprises has actually shown more sales than the amount of sales estimated by the AO for 24/10/2018 and 25/10/2018. Considering the fact that the entire assessment exercise is extrapolated on the basis of two bills found at the time of survey but explained to be recorded in the book of Krishay Enterprises, we do not find any reason to interfere with the findings of the Id. CIT(A) and dismiss the effective ground/s raised by the revenue.

11. In the result, appeal of the revenue is dismissed.

Order pronounced in the Court on 16th June, 2025 at Mumbai.

Sd/-

**(SAKTIJIT DEY)
VICE PRESIDENT**

Sd/-

**(NARENDRA KUMAR BILLAIYA)
ACCOUNTANT MEMBER**

Mumbai, Dated 16/06/2025

S.S.P.

आदेश की प्रतिलिपि अग्रेषित/Copy of the Order forwarded to :

1. अपीलार्थी / The Appellant
2. प्रत्यर्थी / The Respondent
3. संबंधित आयकर आयुक्त / Concerned Pr. CIT
4. आयकर आयुक्त (अपील)/ The CIT(A)-
5. विभागीय प्रतिनिधि , आयकर अपीलीय अधिकरण, मुंबई /DR,ITAT, Mumbai,
6. गार्ड फाई/ Guard file.

आदेशानुसार/ BY ORDER
TRUE COPY

Assistant Registrar
आयकर अपीलीय अधिकरण
ITAT, Mumbai